

Congress of the United States
Washington, DC 20515

March 10, 2009

The Honorable Dr. Steven Chu
The U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary Chu:

We write today expressing our support for the Oxy-Fuel System Turbine Development Program (Program), and to ask for your support for \$70 million in funding from the recently passed American Recovery & Reinvestment Act to keep the Program on a timely path to completion.


The area of oxy-fueled combustion holds great promise in capturing a higher percentage of carbon dioxide produced by electricity generation than pre or post combustion technologies, and offers a lower capital cost. As such, we feel this area of research needs more attention and funding.


The current phase II work of the Program is under way and can accept up to \$70 million in funding immediately to advance this technology further and bring it to demonstration phase. It is estimated the funding would employ 100 people over a three year period and significantly advance a carbon-capture technology urgently needed to stem the flow of emissions from power plants. It is our understanding that Clean Energy Systems, Inc. and Siemens Power Generation (Partners) are willing and able to satisfy the requirements for cost-share funding as outlined in the cooperative agreements between the Partners and DOE, and these agreements can be amended to infuse additional funds into the Program within a matter of days. A breakdown of how the funds would be expended is attached.

Oxy-fueled turbine technology holds much promise as a zero emissions fossil fueled power plant. With lower capital costs than current coal technologies, and higher carbon dioxide capture, failure to fully fund such research is truly a mistake in U.S. Energy Policy.

We appreciate your consideration of our request and encourage your support of Program. We're happy to answer any questions you or your staff may have about this request.

Sincerely,



Jim Costa
Member of Congress

Daniel Lungren
Member of Congress

Cc: Victor Der, Principal Deputy Assistant Secretary for Fossil Energy

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Funding Needs:

The table below provides a top level estimate of the funds needed to perform the tasks described above. The split between Siemens and CES is approximate. The figures shown include DOE and contractors' cost share.

Task	CES Funding Need	Siemens Funding Need	Simple Cycle Oxy-fuel Test Plant
First generation reheater development	\$1.4M	--	--
Materials compatibility in steam/CO2	--	\$1.4M	--
Second generation reheater development	\$0.7M	--	--
SGT-900 design adaptation	\$2.5M	\$2.7M	--
Design reviews and long lead material ordering	--	\$0.5M	--
HPT and LPT selection and performance study	--	\$1.2M	--
Balance of plant study	--	\$0.8M	--
SGT-900 procurement, disassembly and modification incl. reheaters	--	--	\$14.0M
SGT-900 shipment, installation and testing***	--	--	\$57.8M
Approximate Total	\$4.6M	\$6.6M	\$71.8M

*** includes cost of equipment such as generator, gearbox, HRSG, FWH, pumps, oxygen equipment etc. plus site construction & contingency